CITY OF RIO RANCHO GENERAL FUND SUMMARY FOR THE PERIOD 7/1/2011 To 6/30/2012

	FY 2011 Actual	Increase (Decrease)	FY 2012 Final Budget	Percentage Change
Beginning Fund Balance	5,096,265	2,890,875	7,987,140	56.7%
Revenues				
Property Tax	11,797,718	212,847	12,010,565	1.8%
Gross Receipts Tax	25,471,900	(307,605)	25,164,295	-1.2%
Franchise Fees	3,077,763	61,065	3,138,828	2.0%
Licenses and Permits	595,520	(76,158)	519,362	-12.8%
Grants	359,639	(255,239)	104,400	-71.0%
State Shared Taxes	321,337	(13,231)	308,106	-4.1%
General Government	1,691,758	(175,882)	1,515,876	-10.4%
Public Safety	1,905,430	383,911	2,289,341	20.1%
Culture and Recreation	962,484	(60,329)	902,155	-6.3%
Fines and Forfeitures	1,101,622	(32,872)	1,068,750	-3.0%
Reimbursment Revenue	2,873,043	14,359	2,887,402	0.5%
Other Miscellaneous Revenue	665,755	(608,255)	57,500	-91.4%
Total Revenues	50,823,969	(857,389)	49,966,580	-1.7%
Other Financing Sources				
Transfer In	772,343	(669,841)	102,502	-86.7%
Total Resources	56,692,577	1,363,645	58,056,222	2.4%
Expenditures				
Personal Services	37,774,840	1,794,206	39,569,046	4.7%
Materials and Services	9,858,874	1,251,121	11,109,995	12.7%
Capital Outlay	54,537	85,756	140,293	157.2%
Encumbrances and Projects	532,641	(532,641)	140,293	-100.0%
Total Expenditures	48,220,892	2,598,442	50,819,334	5.4%
Total Experiences	10,220,072	2,570,112	20,013,331	3.170
Other				
Transfer Out	484,545	(121,545)	363,000	-25.1%
Ending Fund Balance				
Unreserved	3,968,732	(1,329,789)	2,638,944	-33.5%
Reserved	4,018,408	216,537	4,234,945	5.4%
Total Ending Fund Balance	7,987,140	(1,113,252)	6,873,888	-13.9%
Total Uses	56,692,577	1,363,645	58,056,222	2.4%

GENERAL FUND

Revenue Detail

	FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Adopted	Variance FY12 - FY11 Increase (Decrease)	% Change FY12/FY11 Increase (Decrease)
Balances and Reserves						
Beginning Balance	\$ 8,390,351	\$ 4,148,187	\$ 5,096,265	\$ 7,987,140	2,890,875	57%
Taxes						
Property Tax	10,042,694	11,331,128	11,797,718	12,010,565	212,847	2%
Gross Receipts	23,529,711	22,625,238	24,282,901	25,164,295	881,394	4%
Franchise Fees	2,975,551	2,820,085	3,077,763	3,138,828	61,065	2%
Total Taxes	36,547,956	36,776,451	39,158,382	40,313,688	1,155,306	3%
Licenses and Permits	309,309	335,490	595,521	519,362	(76,159)	-13%
Intergovernmental						
Federal Grants	1,470,118	563,634	359,639	103,400	(256,239)	-71%
State Grants	45,911	-	-	-	-	0%
County Grants	-	951	1,000	1,000	-	0%
State Shared Taxes	315,295	341,866	321,337	308,106	(13,231)	-4%
Total Intergovernmental	1,831,324	906,451	681,976	412,506	(269,470)	-40%
Charge for Services						
General Government	1,509,472	1,518,092	1,691,759	1,515,876	(175,883)	-10%
Public Safety	1,912,199	1,914,336	1,905,431	2,289,341	383,910	20%
Cultural/Recreation	1,015,040	1,005,608	962,484	902,155	(60,329)	-6%
Total Charge for Services	4,436,711	4,438,036	4,559,674	4,707,372	147,698	3%
Fines and Forfeitures	1,132,317	1,190,321	1,101,623	1,068,750	(32,873)	-3%
Miscellaneous						
Interest Income	55,470	6,325	7,818	10,000	2,182	28%
Rents and Royalties	11,905	10,216	6,554	2,700	(3,854)	-59%
Contributions/Donations	6,600	14	5	-	(5)	-100%
Reimbursements	1,951,353	2,348,263	2,873,043	2,887,402	14,359	0%
Other Miscellaneous	260,096	174,120	650,378	44,800	(605,578)	-93%
Total Miscellaneous Revenue	2,285,424	2,538,938	3,537,798	2,944,902	(592,896)	-17%
Other Sources						
Interfund Operating Transfer	1,560,211	3,944,342	772,342	102,502	(669,840)	-87%
Total General Fund	\$ 56,493,603	\$ 54,278,216	\$ 55,503,581	\$ 58,056,222	2,552,641	5%

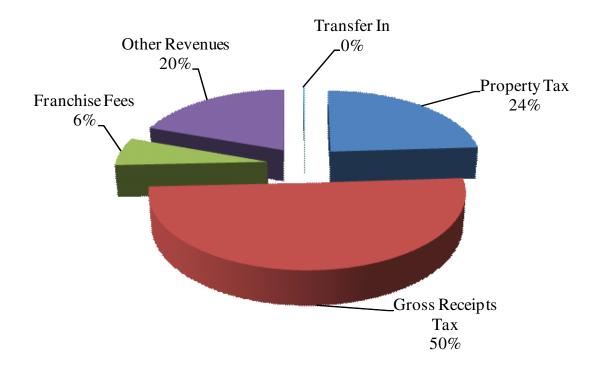
GENERAL FUNDExpenditures by Object

	FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Adopted	Variance FY12 - FY11 Increase (Decrease)	% Change FY12/FY11 Increase (Decrease)
Operating Expenditures					(= ====================================	(= 000 00000)
Personal Services						
Wages & Salaries	\$ 29,711,419	\$ 27,085,807	\$ 26,582,078	\$ 27,580,936	\$ 998,858	4%
Fringe Benefits	11,598,068	11,186,308	11,192,762	11,988,110	795,348	7%
Total Personal Services	41,309,487	38,272,115	37,774,840	39,569,046	1,794,206	5%
Materials & Services						
Professional Services	1,021,349	454,815	397,428	648,533	251,105	63%
Contracts and Other Services	2,435,378	2,200,750	1,994,509	2,404,340	409,831	21%
Programs	10,767	7,529	14,595	31,874	17,279	118%
Advertising	58,726	25,549	23,658	45,326	21,668	92%
Membership/Subscriptions	180,593	138,611	131,818	137,186	5,368	4%
Conference, Travel & Training	145,856	66,619	62,757	128,616	65,859	105%
Postage	81,250	55,392	50,723	68,764	18,041	36%
Repair & Maintenance	825,192	749,926	828,978	893,831	64,853	8%
Fleet Maintenance	690,437	671,986	658,706	747,250	88,544	13%
Gasoline	798,502	724,942	828,297	1,010,158	181,861	22%
Utilities (1)	2,050,524	1,898,152	2,049,963	2,091,189	41,226	2%
Communications (2)	211,394	197,754	209,560	195,893	(13,667)	-7%
Supplies	1,207,720	1,037,175	999,296	1,228,127	228,831	23%
Minor Furniture & Equipment	272,816	79,217	115,869	159,161	43,292	37%
Other Costs	583,644	1,023,426	1,491,933	1,319,747	(172,186)	-12%
Total Material & Services	10,574,148	9,331,843	9,858,090	11,109,995	1,251,905	13%
Total Operating Expenditures	51,883,635	47,603,958	47,632,930	50,679,041	3,046,111	6%
Capital Outlay						
Capital Projects-Infrastructure	21,244	-	16,437	-	(16,437)	0%
Vehicles & Heavy Equipment	120,000	-	-	78,393	78,393	0%
Major Furniture & Equipment	50,892	6,499	38,100	61,900	23,800	62%
Total Capital Outlay	192,136	6,499	54,537	140,293	85,756	157%
Other Uses						
Transfers	1,340,564	394,723	484,545	363,000	(121,545)	-25%
Balances & Reserves	4,711,178	4,234,854	4,328,092	6,873,888	2,545,796	59%
Total Other Uses	6,051,742	4,629,577	4,812,637	7,236,888	2,424,251	50%
Total Expenditures	\$ 58,127,513	\$ 52,240,034	\$ 52,500,104	\$ 58,056,222	\$ 5,556,118	11%

⁽¹⁾ Includes: Telephone services, Water, Wastewater, Gas & Electric services

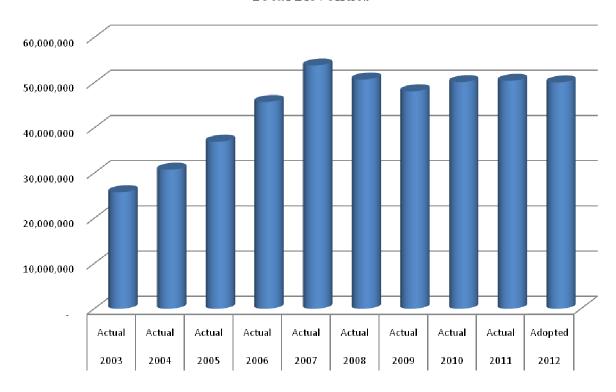
⁽²⁾ Includes: Long Distance Telephone, Cellular Phone services & Pagers

FISCAL YEAR 2012 GENERAL FUND Revenue Budget by Category

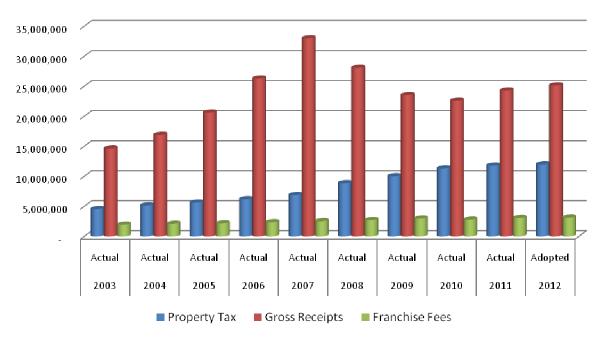


12,010,565
25,164,295
3,138,828
9,652,892
102,502
\$ 50,069,082
\$

GENERAL FUND Total Revenues

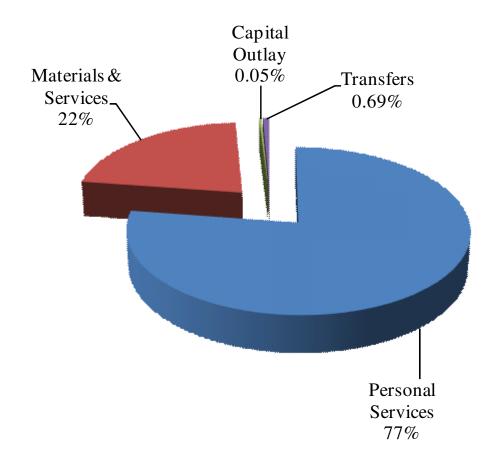


Revenues by Category



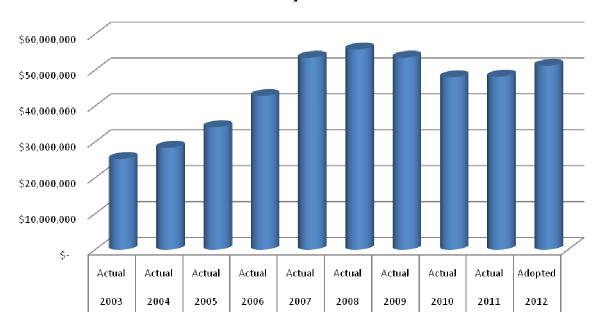
FISCAL YEAR 2012 GENERAL FUND

Expenditure Budget by Category

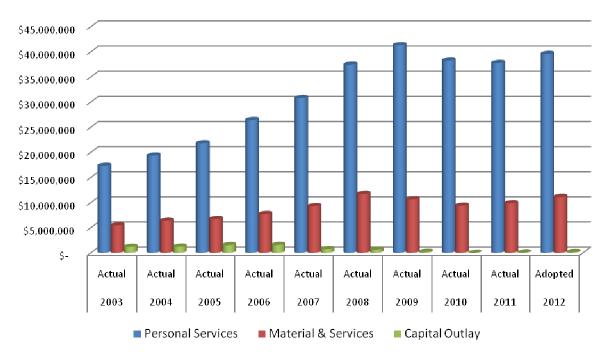


Personal Services	\$ 39,569,046
Materials & Services	\$ 11,109,995
Capital Outlay	\$ 140,293
Transfers	\$ 363,000
Total Expenditures	\$ 51,182,334

GENERAL FUND Total Expenditures



Expenditures by Category



GENERAL FUND REVENUES

The General Fund provides the principal funding for local government operations. Most of the General Fund revenues come from three principle sources: gross receipts taxes (GRT), property taxes, and franchise fees. The balance comes from a variety of other sources such as licenses and permits, grants, state shared taxes, general government, public safety revenues, and transfers from previous year fund balances.

Gross Receipts Tax

Gross receipts tax (GRT) revenue is very sensitive to the performance of the local economy, which can create revenue problems. During the early 1990's, the annual growth of GRT revenues was over 20% per year. However; in the late 1990's this growth slowed to about 5% per year due to the loss of retail trade to Albuquerque. Construction GRT revenues were extremely strong in FY 2006 and FY 2007 primarily related to increased construction activity.

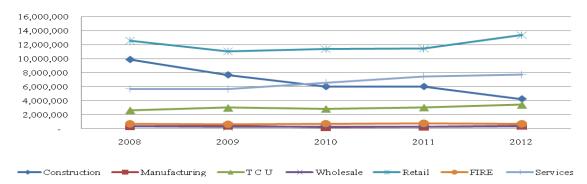
CITY OF RIO RANCHO, NM GROSS RECEIPT TAXES RECEIVED BY TYPE OF TRADE All Funds										
Last Five Fiscal Years										
		Actu	al		Projected	10/09				
	2008	2009	2010	2011	2012	Change				
Construction	\$ 9,884,916	\$ 7,671,760	\$ 5,997,000	\$ 6,005,629	\$ 4,228,904	-29.58%				
	30.65%	25.16%	20.01%	18.91%	12.97%					
Manufacturing	299,400	363,688	159,426	223,820	364,846	63.01%				
	0.93%	1.19%	0.53%	0.70%	1.12%					
T C U	2,622,902	2,984,284	2,841,294	3,024,026	3,408,055	12.70%				
	8.13%	9.79%	9.48%	9.52%	10.46%					
Wholesale	319,455	265,360	265,964	258,838	300,269	16.01%				
	0.99%	0.87%	0.89%	0.82%	0.92%					
Retail	12,552,014	11,059,039	11,362,688	11,431,671	13,367,955	16.94%				
	38.92%	36.27%	37.92%	36.00%	41.01%					
FIRE	655,892	583,226	689,255	721,610	668,727	-7.33%				
	2.03%	1.91%	2.30%	2.27%	2.05%					
Services	5,678,187	5,637,115	6,551,880	7,478,929	7,735,548	3.43%				
	17.61%	18.49%	21.86%	23.55%	23.73%					
Others	235,066	1,929,948	2,099,057	2,612,515	2,521,502	-3.48%				
	0.73%	6.33%	7.00%	8.23%	7.74%					
Total	32,247,832	30,494,420	29,966,564	31,757,038	32,595,806	2.64%				
	100.00%	100.00%	100.00%	100.00%	100.00%					

FIRE: Financial institutions and real estate; T C U: Transportation, Communication and Utility.

Source: State of New Mexico, Department of Taxation and Revenue; Prepared by: City of Rio Rancho Department of Finance Services

The following table is a breakdown of Gross Receipts Taxes received by type of trade.

GRT RECEIVED BY TRADE

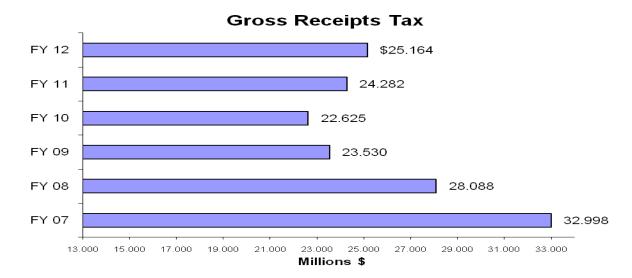


The following table shows the total taxable reported and taxable retail gross receipts reported in Rio Rancho, Albuquerque, and New Mexico. In 2005 the State of New Mexico enacted law that removed gross receipts tax from food and medical services. In doing so, the State of New Mexico held cities harmless against gross receipts revenue loss as a result of the new legislation. The taxable retail gross receipts reported in this table include food and medical services.

City of Rio Rancho, Albuquerque, and State of New Mexico Total Taxable Reported and Taxable Retail Gross Receipts (000s)												
		Rio Ran	cho			Albuque	erque			New M	exico	
				Of				Of				Of
FY	Total	Change	Retail	Total	Total	Change	Retail	Total	Total	Change	Retail	Total
2006	1,222,214	45%	275,093	23%	13,234,465	4%	3,999,286	30%	46,727,076	11%	11,842,129	25%
2007	1,140,667	-7%	290,236	25%	13,983,767	6%	4,298,358	31%	49,440,668	6%	12,837,973	26%
2008	1,093,684	-4%	285,607	26%	13,949,723	0%	4,438,891	32%	50,010,224	1%	13,109,663	26%
2009	972,469	-11%	266,640	27%	12,500,403	-10%	3,946,836	32%	45,876,109	-8%	11,792,857	26%
2010	924,587	-5%	277,198	30%	12,226,339	-2%	3,898,825	32%	44,772,670	-2%	11,532,300	26%

Prepared by: City of Rio Rancho Department of Finance Services

The City's **Gross Receipts Tax** (**GRT**) revenues are derived from local options imposed by ordinance and state-shared distributions. The GRT is the most important revenue source for the City comprising of 45 percent of total General Fund revenues. As the chart indicates, construction activity and revenue was extremely strong in FY07.



		NE	W MEXICO	GROSS RI	ECEIPTS TAX RATE		
		N.M.G.R.T.			MUNICIPAL G.R.T.		Total
		To Rio Rancho	To State	Total	Sandoval County	Rio Rancho	G.R. Tax
7/1/1982	(1)	1.3500%	2.150%	3.5000%		0.5000%	4.0000%
7/1/1983	(2)	1.3500%	2.400%	3.7500%		0.7500%	4.5000%
7/1/1984		1.3500%	2.400%	3.7500%	0.1250%	0.7500%	4.625%
7/1/1985	(3)	1.3500%	2.400%	3.7500%	0.1250%	1.0000%	4.875%
7/1/1985	(3)	1.3500%	2.400%	3.7500%	0.1250%	1.5000%	5.375%
7/1/1990	(4)	1.3500%	3.150%	4.5000%	0.1250%	1.5000%	6.125%
1/1/1991	(5)	1.3500%	3.150%	4.5000%	0.2500%	1.5000%	6.2500%
7/1/1991	(3)	1.3500%	3.150%	4.5000%	0.2500%	1.2500%	6.0000%
1/1/1992	(6)	1.3500%	3.150%	4.5000%	0.2500%	1.4375%	6.1875%
8/1/1992	(7)	1.2250%	3.275%	4.5000%	0.2500%	1.4375%	6.1875%
1/1/2005	(8)	1.2250%	3.775%	5.0000%	0.2500%	1.4375%	6.6875%
7/1/2008	(9)	1.2250%	3.775%	5.0000%	0.2500%	1.6875%	6.9375%
7/1/2009	(10)	1.2250%	3.775%	5.0000%	0.3750%	1.6875%	7.0625%
7/1/2010	(11)	1.2250%	3.900%	5.1250%	0.3750%	1.6875%	7.1875%
1/1/2011	(12)	1.2250%	3.900%	5.1250%	0.3750%	1.9375%	7.4375%

Note: Rio Rancho incorporated as a City on September 6, 1980, but it was not "officially" incorporated for tax distribution purposes until March, 1981. On 7/1/81 the State of New Mexico lowered the state-wide gross receipts tax rate from 3.75% to 3.50%. This allowed municipalities to add 3/4% of 1% additional 1/4% increments. This 3/4% of 1% additional is known as the "Municipal Gross Receipts Tax.".

- (1) City of Rio Rancho enacted two 1/4% increments (i.e. 1/2 of 1%) on July 1, 1982.
- (2) Effective July 1, 1982, the N.M. Gross Receipts Tax was increased 3.75% from 3.5%. The City imposed an increment of V4% on July 1, 1983. Receipts of additional V4% commenced approximately September 10, 1983.
- (3) Allowable municipal rate increased to 1 1/4%, and a Special Municipal Gross Receipts Tax was authorized. The Special Municipal Gross Receipts Tax now deemed to be an imposition of a Municipal Gross Receipts Tax by Section 7-19A-3 (G) NMSA 1978. The authority to impose the Special Municipal Gross Receipts Tax of 1/4% expired on 6-30-91, except for municipalities who have is sued bonds secured by such tax, which Rio Rancho had not done.
- (4) The State rate was increased to 4.5% to fund salary increases for teachers and to fund environment issues.
- (5) The County increased its rate by .125% for the Indigent Fund.
- (6) The City of Rio Rancho increased its rate by 3/16%: 1/16% for environmental, and 2/16% for infrastructure.
- The State reduced the amount to cities from the N.M. Gross Receipts Tax by 1/8% effective August 1, 1992.
- (8) The State removed the tax on certain food items and medical services, and removed the .50% credit to municipalities.
- (9) The City of Rio Rancho increased its rate by 1/4% for acquisition, construction, renovation or improvement of facilities of higher public education.
- (10) Sandoval County joined with voters from Bernalillo and Valencia counties in approving a 1/8 of a cent GRT increase to help fund the Rail Runner Express and bus transit services in the area.
- (11) The State increase 1/4% to help close the state's budget deficit
- (12) The City of Rio Rancho increased its rate by 1/4%.

Property Tax

Property taxes are a large source of General Fund revenue and generated over \$11.8 million in FY 2011. Residential and non-residential properties in Rio Rancho are valued at over \$2,179 million. The City's General Fund only receives a portion of the total property tax revenues based on the residential and the non-residential mill levy reserved for local government operations. The remaining property tax revenues are apportioned to the county, the school district, and debt service funds. The City has the option to increase property taxes through the creation of a General

Obligation (GO) bonding cycle to fund high priority capital improvements projects. Residential property tax valuations are continuing to increase while non-residential property taxes decrease due to personal property depreciation.

Tax Base

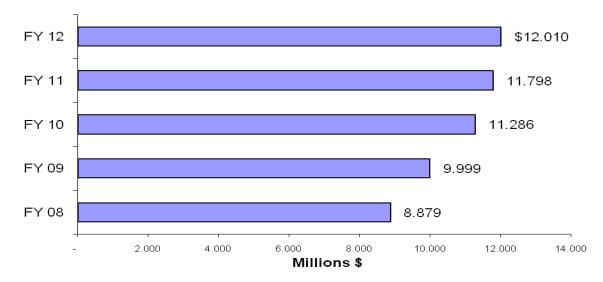
Assessed Valuation of property within the City is calculated as follows: Of the total estimated actual valuation of all taxable property in the City, 33 1/3% is legally subject to ad valorem taxes. After deduction of certain personal exemptions, the 2010 Assessed Valuation is \$2,179,478,260. The actual value of personal property within the City (see "Assessments" below) is determined by the County Assessor. The actual value of certain corporate property within the City (see "Centrally Assessed" below) is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division. The analysis of Assessed Valuation follows:

		RESIDEN	TIA	L AND NON-RE	SID	ENTIAL VALUA	ATIC	ONS		
		Tax Year 2006		Tax Year 2007		Tax Year 2008		Tax Year 2009		Tax Year 2010
Rio Rancho/Sandova	ıl									
Residential	\$	1,021,116,289	\$	1,314,202,433	\$	1,503,000,052	\$	1,626,691,648	\$	1,628,581,699
Non-Residential		228,582,245		526,077,885		591,127,758		541,593,261		542,026,083
Total Sandoval	\$ 3	1,249,698,534	\$	1,840,280,318	\$	2,094,127,810	\$:	2,168,284,909	\$:	2,170,607,782
Rio Rancho/Bernalill	o									
Residential		-		-		-		-		-
Non-Residential	\$	6,902,342	\$	8,318,585	\$	8,561,309	\$	8,060,390	\$	8,870,478
Total Bernalillo	\$	6,902,342	\$	8,318,585	\$	8,561,309	\$	8,060,390	\$	8,870,478
Total Valuation	\$	1,256,600,876	\$	1,848,598,903	\$	2,102,689,119	\$	2,176,345,299	\$	2,179,478,260

Source: New Mexico Department of Finance and Administration; Prepared by: City of Rio Rancho Department of Finance Services

As depicted below, this revenue source continues to increase as the valuation of real property in the City increases.

Property Tax Revenues



Tax Rates

The following table summarizes the tax levy on residential property for 2000-2009.

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (Residential)										
City of Rio Rancho Overlapping Rates										
Tax Year	General Fund	Debt Service Fund	Total	State	County	School District	Central NM Comm. College	Hospital	Total	
2001	5.017	1.140	7.057	1.565		10.7/2			20.212	
2001	5.917	1.140	7.057	1.765	5.620	10.762	3.008		28.212	
2002	5.983	2.000	7.983	1.123	5.713	10.750	3.008		28.577	
2003	6.227	2.074	8.301	1.520	5.759	10.758	3.011		29.349	
2004	6.300	2.067	8.367	1.028	6.940	10.760	3.019		30.114	
2005	6.286	2.067	8.353	1.234	6.384	10.756	3.038		29.765	
2006	6.138	1.826	7.964	1.291	6.271	10.704	3.027		29.257	
2007	5.914	2.060	7.974	1.221	5.800	10.624	2.992		28.611	
2008	5.847	2.060	7.907	1.250	5.368	10.899	2.990		28.414	
2009	5.944	2.067	8.011	1.150	5.809	10.635	3.046	4.250	32.901	
2010	6.113	2.060	8.173	1.530	5.952	10.694	3.158	4.250	33.757	

Rate per \$1,000 of assessed value

Source: State of New Mexico Department of Finance and Administration; Prepared by: City of Rio Rancho Department of

Financial Services

History of Assessed Valuation

The following is a nine-year history of assessed valuation for the City of Rio Rancho and Sandoval County.

Tax	City of	Percentage	Sandoval	Percentage
Year	Rio Rancho	Change	County	Change
2010	\$ 2,170,607,782	3.65%	\$ 3,357,248,301	3.48%
2009	2,168,284,909	17.82%	3,348,477,492	16.68%
2008	2,094,127,810	13.79%	3,244,344,944	55.41%
2007	1,840,280,318	0.00%	2,869,720,531	37.46%
2006	1,840,280,318	77.22%	2,087,630,700	16.23%
2005	1,038,410,640	12.93%	1,796,081,781	13.03%
2004	919,484,245	7.13%	1,589,098,941	5.46%
2003	858,249,709	5.76%	1,506,824,794	5.69%
2002	811,480,163		1,425,698,630	

Source: State of New Mexico, Taxation & Revenue Department

Prepared by: City of Rio Rancho Department of Financial Services

Major Taxpayers:

The ten largest taxpayers have a combined assessed valuation of \$21,540,559, which represents 0.99% of the 2009 Assessed Valuation. Property taxes are current for these taxpayers. This table is useful in assessing the concentration risk of the tax base.

PRINCIPAL PROPE	RTY T	AX PAYERS	
		2009	
		Taxable	% of
Taxpayer	Ass	sessed Value	Total
Lowe's Home Centers	\$	6,122,114	0.28%
Wal-Mart Stores	\$	5,604,760	0.26%
Centex American Gypsum		2,840,683	0.13%
Yates, Ronald G and Kimla		1,433,333	0.07%
American Holding and Assets		1,126,707	0.05%
Presbyterian Healthcare		927,896	0.04%
Enchanted 528 Development		896,595	0.04%
Rio Rancho SPV LP		884,774	0.04%
Cherry Road LLC		862,383	0.04%
High Desert Investment Corp		841,314	0.04%
	\$	21,540,559	0.99%

Source: Sandoval County Assessor's and Trasurer's Office; Prepared by: City of Rio

Rancho Department of Financial Services

Tax Collections

General (ad valorem) taxes for all units of government are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due.

Property taxes are due in two installments. The first half installment is due on November 10 and becomes delinquent on December 10. The second half installment is due on April 10 and becomes delinquent on May 10. Collection statistics for all political subdivisions for which each county treasurer collects taxes are as follows:

			PROPERTY'	TAX LEVIES AN	D COLLEC	ΓΙΟΝS						
	CITY OF RIO RANCHO, NM											
	Last Five Fiscal Years											
		Collecte	ed within					Ratio of				
		the Fiscal Yea	ar of the Levy	_		Ratio of Total		Outstanding				
						Tax		Delinquent				
	Taxes Levied			Delinquent		Collections to	Outstanding	Taxes to				
Fiscal	for the Fiscal			Tax	Total Tax	Total Tax	Delinquent	Total Tax				
Year	Year (A)	Amount (A)	Percentage	Collection (A)	Collection	Levy	Taxes	Levy				
2005	8,454,578	8,135,231	96%	231,028	8,366,259	99%	319,348	4%				
2006	9,679,603	9,297,367	96%	289,712	9,587,079	99%	382,236	4%				
2007	12,896,884	12,231,289	95%	422,973	12,654,262	98%	665,595	5%				
2008	14,649,411	13,790,591	94%	519,749	14,310,340	98%	858,820	6%				
2009	16,281,975	15,231,543	94%	-	15,231,543	94%	908,534	6%				

Source: Sandoval County Treasurer's Office; Prepared by: City of Rio Rancho Department of Financial Services

 $(A) \hbox{ - Subject to change each day due to additions and deletions of levied and collected amounts}.\\$

Interest on Delinquent Taxes

Pursuant to Section 7-38-49, NMSA 1978, if property taxes are not paid for any reason within 30 days after the date they are due, interest on the unpaid taxes shall accrue from the 30th day after they are due until the date they are paid. Interest accrues at the rate of one percent per month or any fraction of a month.

Penalty for Delinquent Taxes.

Pursuant to Section 7-38-50, NMSA 1978, if property taxes become delinquent, a penalty of one percent of the delinquent tax for each month, or any portion of a month, they remain unpaid must be imposed, but the total penalty shall not exceed five percent of the delinquent taxes. The minimum penalty imposed is \$5.00. A county can suspend application of the minimum penalty requirement for any tax year. If property taxes become delinquent because of intent to defraud by the property owner, 50 percent of the property tax due or \$50.00, whichever is greater, shall be added as a penalty.

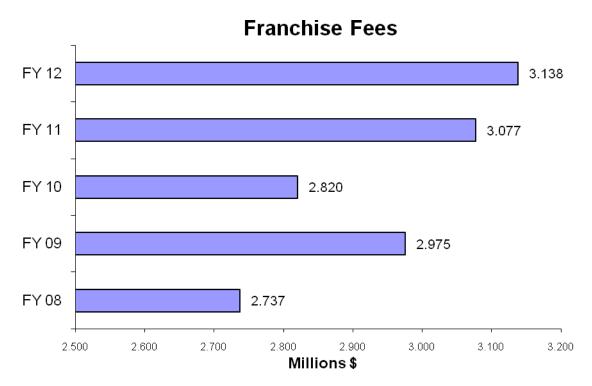
Remedies Available for Non-Payment of Taxes

Pursuant to Section 7-38-47, NMSA 1978, property taxes are the personal obligation of the person owning the property on the date in which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. Pursuant to Section 7-38-65, NMSA 1978, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Franchise Fees

Franchise fees represent the third largest category of revenues in the General Fund, with over \$3.07 million in fees received in FY2011. These fees are assessed on providers of waste collection, cable TV, water and wastewater, electricity, natural gas, and telephone service, with PNM Electric accounting for 48.9% of total franchise revenues. Trends for electric, gas, and water Franchise Fees are affected by changes in weather. For FY12 are estimated to increase by 2.0%.



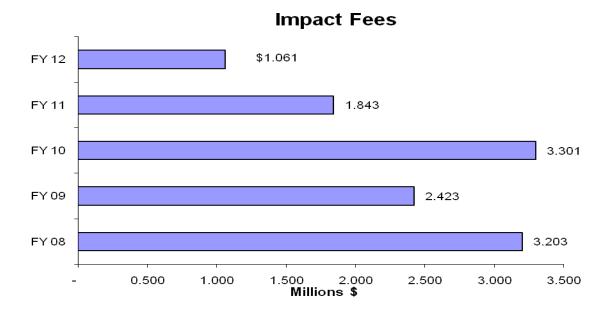
City Development Revenue

This is an important component of General Fund revenues due to the City's housing growth. As depicted in the table, the high volume of construction activity dramatically increased revenues of FY06 and slowed beginning in FY07.



Impact Fees

Impact fees are classified as Special Funds and are an important source of funding for capital improvements. The City adopted an impact fee ordinance in 1995 in accordance with the state enabling legislation on impact fees. The legislation required that impact fees be assessed on new development for specified categories of infrastructure in order to pay the fair share of the costs of growth. The City assesses impact fees for both residential and nonresidential properties.



FY 2012 GENERAL FUND SUMMARY BUDGET

By Department/Cost Center/Category

]	FY 2009]	FY 2010]	FY 2011		FY 2012
Department/Division		Actual		Actual		Actual		Adopted
Ct. Maria								
City Manager Personal Services	\$	786,939	\$	582,208	\$	591,388	\$	603,704
Material and Services	Ф	350,384	Ф	279,533	Ф	219,152	Ф	209,063
Total	\$	1,137,323	\$	861,741	\$	810,540	\$	812,767
Total	ψ	1,137,323	Ψ	001,741	Ψ	610,540	φ	012,707
Communications & Civic Outreach								
Personal Services	\$	-	\$	-	\$	-	\$	_
Material and Services		4,271		_		_		-
Total	\$	4,271	\$	-	\$	-	\$	-
Mayor								
Personal Services	\$	27,770	\$	26,540	\$	27,213	\$	27,485
Material and Services		20,277		12,127		11,311		21,802
Total	\$	48,047	\$	38,667	\$	38,524	\$	49,287
Total Administration	\$	1,189,641	\$	900,408	\$	849,064	\$	862,054
Total Administration	Ф	1,109,041	Ф	900,400	Ф	049,004	Ф	002,054
Fiduciary								
Personal Services	\$	47,515	\$	51,147	\$	38,148	\$	(408,038)
Material and Services		845,630		1,137,615		1,741,789		1,618,083
Transfers to Other Funds		1,340,564		394,723		484,545		363,000
Total Fiduciary	\$	2,233,709	\$	1,583,485	\$	2,264,482	\$	1,573,045
City Council								
Personal Services	\$	127,755	\$	113,996	\$	117,770	\$	119,533
Material and Services	_	96,312	_	75,131	_	74,976	_	71,623
Total City Council	\$	224,067	\$	189,127	\$	192,746	\$	191,156
City Clerk								
Personal Services	\$	231,627	\$	215,627	\$	201,652	\$	219,211
Material and Services	Ψ	68,522	Ψ	111,478	Ψ	87,277	Ψ	198,401
Total City Clerk	\$	300,149	\$	327,105	\$	288,929	\$	417,612
15 4 41 6164 61611	Ψ	000,215	Ψ	027,100	Ψ	200,525	Ψ	111,012
Municipal Court								
Personal Services	\$	717,923	\$	580,514	\$	586,949	\$	649,300
Material and Services		285,186		261,400		246,830		307,229
Capital Outlay		7,288		-		-		-
Total Municipal Court	\$	1,010,397	\$	841,914	\$	833,779	\$	956,529
CT								
City Attorney	Φ.	60 = 00 :	Φ.	514 60 6	_	40.4.601	φ.	501 110
Personal Services	\$	607,894	\$	514,696	\$	494,601	\$	521,113
Material and Services		92,487	ф	41,054	ф	56,462	ф	105,366
Total City Attorney	\$	700,381	\$	555,750	\$	551,063	\$	626,479

FY 2009		FY 2009	FY 2010			FY 2011	\$ \$ \$ \$ \$ \$ \$ \$ \$	FY 2012		
Department/Division		Actual		Actual		Actual	Adopted			
Human Resources										
Personal Services	\$	567,678	\$	490,730	\$	443,159	\$	464,331		
Material and Services		261,810		254,437		283,063		312,033		
Total Human Resources	\$	829,488	\$	745,167	\$	726,222	\$	776,364		
Financial Services										
Administration										
Personal Services	\$	406,747	\$	434,521	\$	371,427	\$	377,995		
Material and Services		58,798		45,329		46,866		51,203		
Total	\$	465,545	\$	479,850	\$	418,293	\$	429,198		
Accounting										
Personal Services	\$	536,516	\$	487,811	\$	470,038	\$	514,036		
Material and Services	•	75,187		85,144		77,844	Ċ	86,456		
Capital Outlay		, -		, -		, -		34,900		
Total	\$	611,703	\$	572,955	\$	547,882	\$	635,392		
Ambulance Billing										
Personal Services	\$	97,257	\$	90,667	\$	154,201	\$	160,852		
Material and Services	•	19,069		20,531		19,765	·	10,850		
Total	\$	116,326	\$	111,198	\$	173,966	\$	171,702		
Purchasing										
Personal Services	\$	191,759	\$	178,962	\$	169,096	\$	173,056		
Material and Services	_	8,730	7	9,077	7	6,591	_	8,185		
Total	\$	200,489	\$	188,039	\$	175,687	\$	181,241		
Motor Vehicle Division										
Personal Services	\$	244,750	\$	224,631	\$	248,335	\$	263,418		
Material and Services	Ψ	4,366	Ψ	3,915	Ψ	6,687	Ψ	7,360		
Total	\$	249,116	\$	228,546	\$	255,022	\$	270,778		
Total Financial Services	\$	1,643,179	\$	1,580,588	\$	1,570,850	\$	1,688,311		
		•		•						
Information Technologies										
Personal Services	\$	509,493	\$	472,501	\$	432,299	\$	434,572		
Material and Services	_	552,114	_	527,303	_	474,823		497,768		
Total Information Technologies	\$	1,061,607	\$	999,804	\$	907,122	\$	932,340		

Department/Division		FY 2009 Actual	EY 2010 Actual	FY 2011 Actual	EY 2012 Adopted
Parks, Recreation and Commun	nity Serv	ices			
Administration					
Personal Services	\$	434,726	\$ 441,723	\$ 461,062	\$ 469,427
Material and Services		1,212,861	895,086	999,949	1,022,034
Capital Outlay		-	-	1,100	-
Total	\$	1,647,587	\$ 1,336,809	\$ 1,462,111	\$ 1,491,461
Outdoor Aquatics					
Personal Services	\$	360,156	\$ 203,935	\$ 237,396	\$ 235,353
Material and Services		46,924	31,761	38,508	58,303
Total	\$	407,080	\$ 235,696	\$ 275,904	\$ 293,656
Rio Rancho Aquatic Center					
Personal Services	\$	623,370	\$ 595,136	\$ 520,978	\$ 612,390
Material and Services		237,965	225,257	249,727	299,517
Total	\$	861,335	\$ 820,393	\$ 770,705	\$ 911,907
Programming					
Personal Services	\$	942,788	\$ 811,254	\$ 830,903	\$ 890,887
Material and Services		199,538	150,905	145,589	223,091
Total	\$	1,142,326	\$ 962,159	\$ 976,492	\$ 1,113,978
Parks & Facilities					
Personal Services	\$	1,210,865	\$ 1,100,930	\$ 1,025,131	\$ 1,098,704
Material and Services		387,622	251,251	277,337	387,416
Capital Outlay		2,107	-	16,260	-
Total	\$	1,600,594	\$ 1,352,181	\$ 1,318,728	\$ 1,486,120
Keep Rio Rancho Beautiful					
Personal Services	\$	126,420	\$ 102,813	\$ 52,919	\$ 54,301
Material and Services	_	29,423	 8,117	 9,713	 16,655
Total	\$	155,843	\$ 110,930	\$ 62,632	\$ 70,956
Senior Services					
Personal Services	\$	397,082	\$ 379,599	\$ 368,462	\$ 393,778
Material and Services		92,755	 87,005	81,508	 112,297
Total	\$	489,837	\$ 466,604	\$ 449,970	\$ 506,075

Domoutous ant/Division]	FY 2009]	FY 2010]	FY 2011		FY 2012
Department/Division		Actual		Actual		Actual		Adopted
Rio Transit Operations								
Personal Services	\$	303,384	\$	124,509	\$	_	\$	_
Material and Services	Ψ	56,987	Ψ	23,815	Ψ	_	Ψ	_
Total	\$	360,371	\$	148,324	\$	-	\$	-
Total Parks, Rec. and Comm. Serv.	\$	6,664,973	\$	5,433,096	\$	5,316,542	\$	5,874,153
Library & Information Services								
Personal Services	\$	1,736,902	\$	1,654,275	\$	1,630,017	\$	1,773,197
Material and Services	Ψ	168,280	Ψ	241,023	Ψ	235,842	Ψ	300,291
Total Library	\$	1,905,182	\$	1,895,298	\$	1,865,859	\$	2,073,488
Development Services								
Administration								
Personal Services	\$	284,690	\$	216,789	\$	177,568	\$	180,964
Material and Services	_	456,927	7	125,786	7	122,922	7	161,425
Capital Outlay		-				11,000		-
Total	\$	741,617	\$	342,575	\$	311,490	\$	342,389
Zoning								
Personal Services	\$	278,594	\$	303,045	\$	265,505	\$	327,206
Material and Services		1,670		, -		1,036		2,320
Total	\$	280,264	\$	303,045	\$	266,541	\$	329,526
Building Inspection								
Personal Services	\$	1,133,285	\$	914,259	\$	874,431	\$	767,488
Material and Services		35,363		25,354		29,203		32,930
Total	\$	1,168,648	\$	939,613	\$	903,634	\$	800,418
Planning								
Personal Services	\$	264,176	\$	273,574	\$	202,069	\$	290,880
Material and Services		197,704	·	3,401		3,227	·	27,750
Total	\$	461,880	\$		\$	205,296	\$	318,630
Development Engineering								
Personal Services	\$	-	\$	-	\$	-	\$	454,663
Material and Services		_		_		_		19,643
Total	\$	-	\$	-	\$	-	\$	474,306
Total Development Services	\$	2,652,409	\$	1,862,208	\$	1,686,961	\$	2,265,269

Department/Division		FY 2009 Actual		FY 2010 Actual		FY 2011 Actual		FY 2012 Adopted	
Public Works									
Administration									
Personal Services	\$	147,983	\$	129,536	\$	132,774	\$	135,694	
Material and Services		18,923		17,082		596,478		620,872	
Total	\$	166,906	\$	146,618	\$	729,252	\$	756,566	
Building Maintenance									
Personal Services	\$	320,418	\$	320,197	\$	328,451	\$	327,101	
Material and Services	·	500,721		547,032	Ċ	517,556		542,348	
Capital Outlay		21,244		, -		177		, -	
Total	\$	842,383	\$	867,229	\$	846,184	\$	869,449	
Custodial									
Personal Services	\$	332,537	\$	279,578	\$	242,271	\$	243,130	
Material and Services	Ψ	81,481	Ψ	99,616	Ψ	105,494	Ψ	108,057	
Total	\$	414,018	\$	379,194	\$	347,765	\$	351,187	
Fleet Maintenance									
Personal Services	\$	391,179	\$	364,382	\$	379,256	\$	390,921	
Material and Services	Ψ	45,152	φ	30,144	ψ	27,684	Ψ	38,432	
Capital Outlay		7,053		50,177		27,007		30, 4 32	
Total	\$	443,384	\$	394,526	\$	406,940	\$	429,353	
Streets and Rows									
Personal Services	\$	2,126,558	\$	2,076,987	\$	1,963,378	\$	2,142,834	
Material and Services	Ф	1,169,394	Φ	1,139,778	φ	566,667	φ	667,790	
Total	\$	3,295,952	\$	3,216,765	\$	2,530,045	\$	2,810,624	
10001	4	5,255,562	Ψ	5,210,700	Ψ	2,000,000	4	2,010,021	
Engineering									
Personal Services	\$	1,617,429	\$	1,532,994	\$	1,482,013	\$	1,196,514	
Material and Services		203,960		149,787		83,298		118,519	
Capital Outlay		9,726		6,499		-			
Total	\$	1,831,115	\$	1,689,280	\$	1,565,311	\$	1,315,033	
Real Property Division									
Personal Services	\$	140,650	\$	132,415	\$	135,179	\$	138,176	
Material and Services		63,484		4,926		2,200		13,550	
Total	\$	204,134	\$	137,341	\$	137,379	\$	151,726	
Total Public Works	\$	7,197,892	\$	6,830,953	\$	6,562,876	\$	6,683,938	

Department/Division]	FY 2009 Actual]	FY 2010 Actual]	FY 2011 Actual		FY 2012 Adopted
Police								
Administrative Services								
Personal Services	\$	525,826	\$	482,429	\$	396,965	\$	427,846
Material and Services		874,963		820,391		742,044		796,821
Total	\$	1,400,789	\$	1,302,820	\$	1,139,009	\$	1,224,667
Communications								
Personal Services	\$	2,487,489	\$	2,336,903	\$	2,487,217	\$	2,846,760
Material and Services		109,504		85,677		93,444		98,832
Total	\$	2,596,993	\$	2,422,580	\$	2,580,661	\$	2,945,592
Animal Control								
Personal Services	\$	656,751	\$	584,052	\$	568,493	\$	603,286
Material and Services		79,858		73,854		76,311		92,587
Total	\$	736,609	\$	657,906	\$	644,804	\$	695,873
Code Enforcement								
Personal Services	\$	394,774	\$	352,800	\$	364,645	\$	374,298
Material and Services		13,416		14,424		16,796		19,250
Total	\$	408,190	\$	367,224	\$	381,441	\$	393,548
Law Enforcement								
Personal Services	\$	10,707,694	\$	10,159,643	\$	10,032,381	\$	10,462,350
Material and Services		670,602		585,927		612,415		817,865
Capital Outlay		5,600		-		-		58,393
Total	\$	11,383,896	\$	10,745,570	\$	10,644,796	\$	11,338,608
Training								
Personal Services	\$	186,134	\$	170,453	\$	120,049	\$	164,785
Material and Services		71,152		78,818		83,794		121,890
Total	\$	257,286	\$	249,271	\$	203,843	\$	286,675
Total Police	\$ 1	16,783,763	\$ 1	15,745,371	\$ 1	15,594,554	\$1	16,884,963

FY 2009		FY 2009	FY 2010			FY 2011	FY 2012		
Department/Division		Actual		Actual	Actual		Adopted		
Department of Fire / Rescue									
Fire/Rescue Services									
Personal Services	\$	7,942,713	\$	7,637,018	\$	8,024,568	\$	8,332,240	
Material and Services		832,933		782,125		785,090		874,379	
Capital Outlay		139,118		-		26,000		47,000	
Total	\$	8,914,764	\$	8,419,143	\$	8,835,658	\$	9,253,619	
Emergency Management Personal Services	\$	133,291	\$	126,336	\$	124,483	\$	113,305	
Material and Services	φ	6,886	Ф	3,913	φ	1,786	Ф	9,709	
Total	\$	140,177	\$	130,249	\$	126,269	\$	123,014	
Total	Ф	140,177	Ф	150,249	Ф	120,209	Ф	123,014	
Total Fire & Rescue	\$	9,054,941	\$	8,549,392	\$	8,961,927	\$	9,376,633	
General Fund Totals									
Personal Services	\$	41,309,487	\$	38,272,115	\$	37,774,840	\$	39,569,046	
Material and Services	\$	10,609,591	\$	9,366,329	\$	9,859,054	\$	11,109,995	
Capital Outlay	\$	192,136	\$	6,499	\$	54,537	\$	140,293	
Transfers to Other Funds		1,340,564	\$	394,723	\$	484,545	\$	363,000	
Summary Total	\$	53,451,778	4	48,039,666	\$	48,172,976	\$5	51,182,334	

	Prog	ram (Co	st Cente	r) / Dep	artment	s Relatio	nships				
						ırtment	•				
	General	City	Human		Information	Parks, Rec.		Development			Fire/
Program (Cost Center)	Government	Attorney	Resources	Services	Technology	Community	Library	Services	Works	Police	Rescue
City Manager (0510)											
Major (0512)											
Fiduciary (0515)											
City Council (1005)											
City Clerk (1505)											
Municipal Court (1705)											
City Attorney (2005)											
Human Resources (2010)											
Administration (3001)											
Accounting (3005)											
Ambulance Billing (3006)											
Purchasing (3010)											
Motor Vehicle (3015)											
MPEC (601, 610)											
Information Technology (3020)											
Administration (3505)											
Aquatic programs (3510)											
Rio Rancho Aquatic Ctr. (3511)											
Programming (3515)											
Parks & Facilities (3526)											
KRRB (3530)											
Senior Services (4005)											
Library (4505)											
Administration (5005)											
Zoning (5010)											
Building Inspection (5015)											
Planning (5020)											
Engineering (5030)											
Administration (5501)											
Building Maintenance (5505)											
Custodial (5510)											
Fleet Maintenance (5512)											†
Streets & ROW (5515)											
Engineering (5520)	1										t
Real Property Division (5525)	1										
Utility Funds (501 - 574)	+										
Administration (6005)											
Communications (6010)	+		1	 							
Animal Control (6020)											
Code Enforcement (6022)	+							1			
Law Enforcement (6025)	+			-							_
Training (6040)								1			_
Fire/Rescue (6030)	+										
Emergency Management (6045)	+		-	-		-		1		-	
MPEC = Multi Purpose Event Center			L	L	L	L	l	L	<u> </u>	l	

MPEC = Multi Purpose Event Center

KRRB = Keep Rio Rancho Beautiful
This matrix correlating the relationship between City's Departments and Cost Centers. The top of the chart shows areas shows the relationship. Departments and Cost Centers are shown along the side. The interception between columns and rows, the shadow

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